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Brian J. Stiger
Director

COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AND BUSINESS AFFAIRS

Members of the Board

Hilda L. Solis
Mark Ridley-Thomas
Sheila Kuehl
Don Knabe
Michael D. Antonovich

"To Enrich Lives Through Effective and Caring Service"

DATE: October 7, 2016

TO: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Brian J. Stiger
Director of Consumer and Business Affairs

REPORT WITH RECOMMENDATIONS TO DEVELOP AND IMPLEMENT A FOUR-YEAR SMALL BUSINESS, DISABLED VETERAN OWNED BUSINESS AND SOCIAL ENTERPRISE UTILIZATION PLAN (ITEM NO. 12, AGENDA OF JULY 12, 2016)

On July 12, 2016, your Board adopted a motion co-authored by Supervisor Ridley-Thomas and Chair Solis that directed the Director of the Department of Consumer and Business Affairs (DCBA), in consultation with other relevant departments, to implement a four-year plan to support Local Small Business Enterprises (LSBE), Disabled Veteran Business Enterprises (DVBE) and Social Enterprises (SE) through increased contracting and procurement with the County.

The motion sought several deliverables, including, but not limited to:

- Direct all County Departments that have designated Small Business Advocates (Advocates) to: create "mini utilization plans" which will provide procurement information on the types of contracts awarded, whether those contracts are appropriate for LSBEs, and other information as outlined in the Utilization Plan; identify industries, services, goods or equipment where the County needs larger pools of certified LSBEs, DVBEs, and SEs; identify LSBE, DVBE and/or SE eligible businesses and encourage them to certify; and include small business utilization and advocate information on their websites;
- [Advocates] Provide quarterly written progress reports to DCBA for the preparation of a consolidated written quarterly report to the Board and the Economic Development Policy Committee with the first report due no later than September 30, 2016;

- Instruct the DCBA to monitor County progress towards overall utilization regularly and submit quarterly reports to the Board and the Economic Development Policy Committee on the status of the Utilization Plan with the first report due no later than September 30, 2016;
- Instruct DCBA, in consultation with the County Assessor, to evaluate the feasibility and cost/benefits of increasing the personal property exemption for certified SEs from \$5,000 to \$20,000 and report back to the Board in writing with recommendations no later than September 30, 2016.

This motion also directed to:

- Authorize DCBA to develop and implement the SE certification process and procedures; and identify and track microbusinesses to capture data and assess the feasibility of certifying microbusinesses as a subset of LSBEs in the future and report back in writing quarterly to the Board and the Economic Development Policy Committee, with the first report due no later than December 31, 2016.

An amendment to the motion introduced by Supervisor Knabe directed the following:

- Instruct DCBA to include in his quarterly reports to the Board a section dedicated to the size of the vendor pool, including the current number of LSBEs and DVBES; a timeline with the estimated vendor pool size for LSBEs and DVBES in order for the County to reach the 25/3 utilization goal by 2020; and the results of the strategies outlined in the Utilization Plan.

Please allow this report to serve as an update on the progress of the implementation items addressed above.

Small Business Advocates

Mini-utilization Plans

As part of the Small Business Utilization (SBU) each department, through their Advocate, is required to develop a mini-utilization plan that will highlight expenditures to LSBEs and DVBES. The mini-utilization plan will assist departments in identifying areas in their purchasing where LSBEs and DVBES are participating as well as areas where certified business participation can be increased. The mini-utilization plan is an essential tool to integrate the identification of these expenditures into the budget planning process to enhance the success of the SBU.

DCBA performed extensive research into the certification and preference programs of other jurisdictions, including sending staff to the California State Department of General Services' Small Business Advocate training. In addition, Internal Services Department (ISD) was able to provide DCBA with certain utilization reports that were analyzed by DCBA's Small Business Services' staff. This information was used to develop an Advocate Manual and mini-utilization plan worksheet.

DCBA held a meeting with the Advocates on September 22nd. At that meeting, DCBA provided the Advocates with the manual that includes information on the roles and responsibilities of Advocates as well as reporting requirements. The manual also outlines how departments can perform outreach and refer businesses in the industries that are most used by DCBA for certification. DCBA will provide the departments with links to information that can be added to the departments' websites.

Advocates were also provided with instructions on how to best leverage the mini-utilization plan worksheet tool (Appendix A attached) to identify and increase utilization opportunities. This worksheet will help departments:

- Track expenditures by object code for the previous quarter or fiscal year;
- Compare the budgeted amount by object code for the upcoming quarter or fiscal year;
- Identify opportunities for improvement by specific object code

To assist the Advocates with their initial report to DCBA, we worked with ISD to obtain department awards to certified businesses. Comparing the top LSBE Awards (Object Codes) by County department (Appendix B) to the areas the consultants identified as high expenditure areas for LSBE awards, we can identify where departments may be able to increase utilization. This information allows us to begin our outreach efforts by identifying industries, services and goods where the County needs larger pools of certified LSBEs, DVBES and SEs.

DCBA obtained baseline data for the departments' utilization from ISD (Appendix C attached). Since each department's procurement needs are unique, there is not a one-size fits all approach to developing the mini-utilization plans. As such, by December 31, 2016, DCBA will meet with each departments' Advocate to customize their plans and goals. Each year thereafter, departments will submit scorecards demonstrating their utilization progress. If departments do not meet their goals, DCBA will work with them to develop a corrective action plan to achieve departmental goals. DCBA will monitor each department's progress and assist them with meeting goals. DCBA will use the information gathered from the departments for the annual report back on the County's progress towards utilization LSBEs, DVBES and SEs.

Business Certifications

Increasing the Vendor Pool

One of the steepest challenges to increasing County utilization is creating a robust pool of "contract ready" certified vendors. DCBA believes that increasing the number and diversity of this vendor pool will lead to an increase of LSBE and DVBE utilization. However, DCBA has encountered significant hurdles in growing and maintaining this pool due to the perceived lack of incentive to certify or re-certify. Therefore, DCBA devised two primary methods to identify which areas in County contracting would benefit most from an increased pool of certified vendors.

1. *Mini-utilization Plan:*

As discussed earlier, the mini-utilization plan will be used as a tool to identify areas in a department's current procurement where LSBE and DVBE utilization is occurring and areas where it has potential to increase. When a department identifies an area in its purchasing that it believes is suitable for LSBE and DVBE utilization, procurement staff can notify DCBA of their needs and DCBA will research eligible businesses. Additionally, when procurement staff know of certification eligible businesses that are not certified, they can refer these businesses to DCBA.

2. *COGNOS Reports:*

Departments capture most financial transactions with vendors on eCAPS, the County's financial database. This data can be obtained via *ad hoc* reports that give DCBA an overall view of the County or department purchasing activity. DCBA is currently working with ISD to leverage these reports as another tool to identify areas where LSBE and DVBE procurement is either low or non-existent. DCBA has synthesized data obtained to identify departmental procurement needs and will use it so that DCBA can begin conducting strategic marketing to specific vendor industries and encourage these vendors to certify.

In order to create a robust and qualified vendor pool, DCBA has developed certification benchmarks. Attached as Appendix D is a table outlining the current vendor pool size and a quarterly timeline with benchmarks for increasing the vendor pool by 2020. This table also identifies the number of businesses we have certified since the beginning of the fiscal year, as well as the number of businesses that have had expiring certifications. DCBA currently has approximately 1,300 certified LSBEs and 150 registered DVBEs. This number will increase through targeted marketing to industries where we know opportunities are available.

Identifying Eligible Businesses to Certify

Currently a vendor who wants to become certified as an LSBE must first obtain Small Business certification from the California Department of General Services (DGS); however, effective October 25, 2016, DCBA will accept businesses certified as small through Los Angeles Metropolitan Transportation Authority (Metro) certification program where such businesses meet the DGS certification threshold for number of employees and revenue, as part of our "Inclusion Policy." DCBA is continuing to research other certifying agencies to accept their certification.

The inclusion of other agency certification programs affords DCBA the opportunity to use the agency's business database to find firms which can provide the goods and services that a particular department is seeking. DCBA has provided instructions and will continue to guide Advocates, on where to find and how to use these additional databases to locate eligible businesses. The Advocates have been instructed to share this information with their procurement staff to implement into their vendor search process.

Outreach and Marketing

DCBA continued its outreach efforts to increase the pool of certified businesses through vendor "contracting connections" events, workshops and social media. DCBA has also enhanced its marketing efforts to increase awareness of the SBU "brand" (L.A. County Contracting Connections) and "messaging" (Certify. Connect. Grow.). In addition, DCBA has continued to send messages through the DGS's list of certified small businesses to identify and invite eligible businesses to certify as an LSBE.

DCBA's media outreach efforts have included:

- A "shout out" featuring small businesses who certified using hashtag #lacountycertified on social media
- Highlighting various bids that small businesses would be interested in on social media
- Speaking Engagements
 - CalCon – Statewide construction contracting event held in Long Beach
 - DGS presentation at quarterly Small Business Council meeting in Long Beach
 - Los Angeles Latino Chamber of Commerce Small Business Summit – Opening Remarks
 - California Hispanic Chambers of Commerce State Convention – Remarks

- Mentioning contracting opportunities in editorials:
 - L.A. Business Journal
 - BizFed Newsletter
 - Antelope Valley Times
 - Our Weekly
 - L.A. Sentinel
 - Citywatch LA
 - SCV News
 - Public CEO
- DCBA is currently working with the Office of Countywide Communication on a video showcasing a small business success story with a business that received a \$100k contract in April 2016. We hope to work with Channel 36 (County public access channel) to create a high quality video.

DCBA also discussed certification and contracting with the County in the Small Business Initiative Resource Guide that was printed and posted online on our website dcba.iacounty.gov.

DCBA has obtained the City of Los Angeles' list of registered businesses, as well as a list of approximately 16,000 DVBEs located in California, which we will use to market the program. In addition, based on the data DCBA received on each department's utilization, DCBA has a high-level overview of County utilization by department.

Reports obtained for DCBA by KH Consulting Group in preparing the implementation plan provides us with the top object code expenditures for LSBE and DVBE.

The top 10 object code areas for LSBE spend are:

- 1) Fencing materials
- 2) Roofing materials
- 3) Machine shop tools and accessories
- 4) Publications and legal notices
- 5) Office furniture
- 6) Video equipment and supplies
- 7) Plumbing supplies
- 8) Bedding, mattress and bath accessories
- 9) Furniture-furnishings
- 10) Grounds maintenance

The top five award areas for DVBEs:

- 1) Consultant services
- 2) Building rentals
- 3) Information technology consulting services
- 4) Office furniture
- 5) Computers, Personal – Software

Using this data, DCBA can assess the industries where opportunities are available for certified businesses and implement targeted marketing to increase the vendor pool in those areas.

Technology and Metrics

Utilization Tracking

DCBA worked with ISD to determine which reports DCBA can compile on behalf of the departments in order to track utilization. DCBA will be able to obtain an award activity report with object code expenditures for certified and non-certified businesses by department. This will allow DCBA and the Advocates to see what each department is spending with certified businesses and in which object areas; allowing us to target market the program to businesses in those areas of need, as well as identify where a department can improve their certified business spend. This information will be provided to the Advocates to populate their mini-utilization plan worksheet and develop goals.

Certification Applications

DCBA is also working with ISD to update the existing preference program certification applications housed in ISD's WebVen. The system will include the expanded LSBE qualifications, as well as, the new DVBE and SE certification applications. These changes will be active on October 25, 2016, and, on that date, DVBEs and SEs will be able to log in to WebVen and submit an application for certification. LSBEs are currently able to submit an application in WebVen if they are certified by DGS. If they are certified by Metro, the new certification application will be effective on October 25, 2016.

Microbusinesses

In addition to making the above changes to the WebVen application to certify as LSBE, DVBE or SE, DCBA has worked with ISD to include a checkbox on the LSBE application which would allow a business to self-identify as a microbusiness, which is defined as such if gross annual receipts are less than \$3.5 million, or the small business is a manufacturer with 25 or fewer employees. While there are no contracting or procurement incentives available to microbusinesses at the current time, this will allow DCBA to begin identifying and tracking microbusinesses to assess the feasibility of certifying microbusinesses as a subset of LSBEs in the future. This feature will also be active as of October 25, 2016.

Contracting and Procurement

Implementation Guidelines

DCBA has developed Implementation Guidelines which provide the necessary instructions and interpretations to County departments to implement changes to the preference programs, monitor compliance, and report results. The effective date of the revisions to the preference programs is October 25, 2016, and solicitations released on or after that date will incorporate the new incentives.

ISD hosted meetings of the Procurement Network and Contracting Managers on September 20th, 21st and 27th to train procurement and contracting staff on the new programs and how to implement the increased preference amounts. DCBA was present at those meetings to field questions pertaining to the new programs.

\$25,000 Delegated Authority

On October 1, 2016, the County Purchasing Agent launched a Simplified Acquisition Process (SAP), which applies to departmental purchases from \$5,001 up to \$24,999. It applies only to purchases made from a certified LSBE, a certified DVBE or a certified SE.

Subject to certain exclusions and restrictions (see below), County departments are authorized to acquire goods or services from \$5,001 up to \$24,999 directly from a certified business by using a two-bid process, which is currently submitted to ISD for processing of the award, but will be automated through eCAPS by January 2017.

The following exclusions and restrictions apply:

- Personal services agreements for medical or health related patient care services are excluded from the SAP.
- Social Service contracts that require department-specific monitoring efforts or measurable outcomes are excluded from the SAP.
- Any service that is, or will, be ongoing and over \$25,000 in the aggregate is excluded from the SAP.
- Any service that is, or could be performed by a County employee.
- The SAP is restricted to businesses that are certified with the Department of Consumer and Business Affairs (DCBA).

Subcontract Dollar Tracking

The first meeting of the Subcontractor workgroup was on August 25th. The departments present at that meeting included DCBA, ISD, Department of Public Works, Community and Senior Services, and Health Services.

The workgroup departments discussed practical methods to obtain information regarding service contract subcontractor usage. One of the challenges in obtaining this information is that County departments typically only interact with prime contractors. Therefore, information regarding subcontractor and LSBE subcontractor usage would be difficult to obtain. A survey was sent to the contract managers of each County department requesting the following information regarding their current service contracts. The information includes data on their prime contracts. Subcontractor information was also requested but may not be available.

- Type of service
- Whether it is a Prop A contract
- Whether subcontractors are currently used on the contract
- The dollar amount going to current subcontractors **
- The percentage of the contract has been awarded to subcontractors **
- Amount of the contract that can potentially be subcontracted**
- What percentage of the contract can potentially be subcontracted**

**This information may not be available to departments as there is currently no subcontractor tracking

Departments have been requested to return the survey by October 12, 2016.

The workgroup discussed that ISD and Public Works may be suitable to participate in the subcontractor tracking pilot program because of their extensive involvement in County contracting and the volume and types of contracts they offer. Departments participating in the pilot program will select up to three contracts suitable for the program.

The workgroup met again on September 29th at ISD headquarters to discuss current software/programs that may be used to track subcontractors, and any software/programs departments have already examined that could possibly be adapted for subcontractor tracking purposes. Public Works informed the group that two third party software vendors had already given Public Works presentations to track Local Worker Hires. Public Works stated that the Statement of Work (SOW) may be adapted to suit the needs of the workgroup and they would provide the SOW to DCBA. With the help of the workgroup, DCBA will modify the SOW for the subcontractor tracking pilot. The next workgroup meeting is tentatively scheduled for October 19th.

Social Enterprise Preference (SEP) Program

Social Enterprise Certification

DCBA is finalizing the SEP certification process which will launch on October 25th. In developing the certification, DCBA researched international SEP certifications, agencies within the United States that assist or provide support to SEs, California Benefit Corporations and State and local environmental sustainability programs. In addition, DCBA engaged the SE stakeholder community by holding a focus group meeting to discuss the certification.

Personal Property Exemption (Low Value for Social Enterprises)

The Board requested that DCBA consult with the Assessor to evaluate the feasibility and cost/benefits of increasing the personal property exemption for certified SEs from \$5,000 to \$20,000.

The Assessor has reviewed this proposal, and has the following recommendations and considerations:

1. This proposed change will require legislation. The current code section that allows a County to exempt up to \$10,000 in taxable value is **Revenue and Taxation Code Section 155.20**. It can apply if the costs of collecting the taxes is exceeded by the amounts collected. Here's an excerpt:

Exemption of property having low value. (a) Subject to... limitations... a county board of supervisors may exempt from property tax all... personal property with a full value so low that, if not exempt, the total taxes, special assessments, and applicable subventions on the property would amount to less than the cost of assessing and collecting them.

Because this code section specifically allows for exemption based on the cost of assessment and collection, it would likely not be the code section that could be altered to reach the requested goal. More likely, a new code section would be needed. The County's Sacramento advocates should be contacted and brought into the planning for this concept, soon. One risk is that the Governor recently vetoed a number of small tax exclusions due to his concerns about the State budget; this reduces the odds of passing of the proposed legislation and would have to be actively mitigated.

2. Many organizations that may be designated as SEs are non-profit, and are therefore likely already exempt from personal property taxes. As they are already in a great position, they would not benefit further from the proposal.

3. Because the ultimate number of SEs is not yet known, the full fiscal impact of such a plan is not immediately calculable; however, **for planning purposes, for every 100 non-exempt SEs** with \$20,000 or less in assessable personal property, the annual gross revenue loss can be estimated at approximately \$16,800. For every 100 non-exempt SEs, Los Angeles County's share of this would be approximately \$4,200 annually*.

*\$15,000 additional exemption x 100 entities = \$1,500,000 x 1.12% estimated tax rate = \$16,800

County share is approximately 25% x \$16,800 = \$4,200 for every 100 non-exempt SEs.

Next Steps

DCBA will continue to work with the County departments to implement the new preference programs. DCBA will increase the size of the vendor pool of certified businesses.

DCBA appreciates the opportunity to update your Board on the status of the County's Utilization Plan. DCBA will submit an updated status report to your Board in 90 days.

Should you have any questions or need additional information, please contact me at your earliest convenience.

Attachments: Appendices A, B, C, D

c: Chief Executive Office
Internal Service Department
Community and Senior Services
Public Works

Appendix A

Mini-Utilization Plan Worksheet

Use the filters in the Object columns to quickly find what you're looking for

Input the dollar amount spent in FY 2016 for each Object Code

Input the dollar amount spent on LSBE's or DVBE's in FY 2016 for each Object Code

Input the Estimated budget in FY 2017 for each Object Code

Input LSBE or DVBE Utilization Goal for FY 2017 for each Object Code

Mini-Utilization Plan									
Object Class	Object Code	Object Description	FY 2016 (Prior Year Actual)	\$ Spend on LSBE's	% of Fiscal Year 2016 \$ with LSBE's	FY 2017 Budget	Limitations on LSBE Eligibility in FY 2017	FY 2017 LSBE Utilization Goal	
20C	2024	Badges, ID Cards & Emblems	\$0	\$0	-	\$0		\$0	
20C	2029	Inmate Clothing	\$0	\$0	-	\$0		\$0	
20C	2030	Other Clothing	\$0	\$0	-	\$0		\$0	
20C	2032	Other Personal Supplies	\$0	\$0	-	\$0		\$0	
20C	2035	Barber & Personal Hygiene Supplies	\$0	\$0	-	\$0		\$0	
20C	2040	Clothing-Uniforms & Accessories	\$0	\$0	-	\$0		\$0	
20D	2075	Building Systems	\$0	\$0	-	\$0		\$0	
20D	2082	Media Related Services	\$0	\$0	-	\$0		\$0	
20D	2084	Mail Service	\$0	\$0	-	\$0		\$0	
20D	2086	Messenger Services	\$0	\$0	-	\$0		\$0	
20D	2089	Radio Systems Parts	\$0	\$0	-	\$0		\$0	
20D	2090	Sound Systems-Parts & Accessories	\$0	\$0	-	\$0		\$0	
20E	2122	Food (Institutional Use Only)	\$0	\$0	-	\$0		\$0	
20F	2140	Bags, Sacks, Etc.	\$0	\$0	-	\$0		\$0	
20F	2141	Bedding, Mattress, & Bath Accessories	\$0	\$0	-	\$0		\$0	

Departments which use multiple accounts may find it easier to Create Copies of the worksheet for each account. Please Name each worksheet with an Account NAME

Cells:
 GREEN = INPUTS
 BLUE = OUTPUTS
 Do not input data in BLUE cells

For expenditures that are expected to have a lower utilization rate than the previous year please describe why these expenses cannot be awarded to LSBE's or DVBE's

Expense Worksheet

Results

Appendix B*

Table 4.2: Top LSBE Awards by County Department Fiscal Year 2014-2015

Department Name	Object Code & Name	\$'s to LSBEs	% Dollars to LSBEs	\$'s to Non-LSBEs	Total
AD - Alternate Public Defender	3240 - Office Supplies-General	\$762	2.40%	\$30,832	\$31,593
	3280 - Publications & Periodicals	\$271	100.00%		\$271
	2024 - Badges, ID Cards & Emblems	\$270	100.00%		\$270
AN - Animal Care And Control	3974 - Telecomm Equipment-Noncapital	\$40,005	87.30%	\$5,802	\$45,807
	4520 - Animal Equipment & Supplies	\$19,316	5.70%	\$322,303	\$341,619
	3278 - Printing Supplies	\$8,816	43.40%	\$11,499	\$20,316
	3262 - Printing-Custom Forms, Labels, Cards	\$4,891	18.70%	\$21,290	\$26,181
	4472 - Barrels, Drums, & Pails	\$3,074	87.30%	\$447	\$3,521
AO - Chief Executive Office	3268 - Office Furniture	\$15,476	56.90%	\$11,721	\$27,196
	4912 - Moving & Transport Services	\$9,682	37.60%	\$16,079	\$25,761
	4634 - Photographic Equipment & Supplies	\$3,085	5.60%	\$51,559	\$54,643
	3240 - Office Supplies-General	\$1,532	2.30%	\$66,549	\$68,081
	3990 - Internet Access Provider Services	\$1,511	100.00%		\$1,511
AS - Assessor	4015 - Computers, Departmental-Maintenance/Support	\$98,194	26.60%	\$270,509	\$368,702
	4020 - Computers, Departmental-Software	\$63,532	9.60%	\$595,894	\$659,426
	3268 - Office Furniture	\$14,541	5.20%	\$266,432	\$280,972
	3580 - Consultant Services	\$13,725	49.50%	\$13,982	\$27,707
	3971 - Computers, Personal-Noncapital	\$11,696	37.00%	\$19,917	\$31,613
AU - Auditor-Controller	2156 - Furniture-Furnishings	\$2,689	75.90%	\$855	\$3,544
	3240 - Office Supplies-General	\$1,263	3.60%	\$34,159	\$35,421
	3182 - Miscellaneous Expense	\$1,244	60.10%	\$825	\$2,069
	3557 - Environmental Services	\$792	100.00%		\$792
	2090 - Sound Systems-Parts & Accessories	\$749	46.20%	\$873	\$1,622
AW - Agric Comm/Wts & Measures	4914 - Weed Abatement Services	\$235,485	29.80%	\$554,695	\$790,180
	3712 - Laboratory Tests	\$87,130	83.70%	\$16,995	\$104,125
	2709 - Grounds Maintenance-Other Than ISD	\$70,000	65.90%	\$36,194	\$106,194
	3240 - Office Supplies-General	\$26,724	41.60%	\$37,442	\$64,166
	4020 - Computers, Departmental-Software	\$22,105	66.70%	\$11,029	\$33,134
BH - Beaches & Harbors	4150 - Temporary Equipment Rentals	\$98,541	77.00%	\$29,441	\$127,982
	2690 - Electrical Supplies & Accessories	\$87,469	91.80%	\$7,806	\$95,275
	3240 - Office Supplies-General	\$65,375	57.50%	\$48,346	\$113,721
	4545 - Park/Recreation Equipment & Supplies	\$38,305	21.40%	\$140,475	\$178,781
	4555 - Promotional Materials	\$29,211	2.40%	\$1,169,166	\$1,198,377
BS - Board Of Supervisors	4102 - Publications & Legal Notices	\$283,731	66.40%	\$143,489	\$427,221
	3262 - Printing-Custom Forms, Labels, Cards	\$72,585	28.50%	\$182,502	\$255,087
	4872 - Video Equipment & Supplies	\$68,512	75.40%	\$22,330	\$90,842
	3580 - Consultant Services	\$50,214	0.40%	\$12,404,679	\$12,454,893
	3971 - Computers, Personal-Noncapital	\$28,396	6.00%	\$447,545	\$475,941
CA - Consumer and Business Affairs	3240 - Office Supplies-General	\$8,593	24.70%	\$26,225	\$34,818
	3268 - Office Furniture	\$1,382	38.50%	\$2,210	\$3,592
	4786 - Printing Services	\$480	100.00%		\$480
	2090 - Sound Systems-Parts & Accessories	\$272	100.00%		\$272
	2690 - Electrical Supplies & Accessories	\$210	100.00%		\$210
CB - CEO - Budget & Operations Management Branch	3580 - Consultant Services	\$2,200,000	10.90%	\$17,920,872	\$20,120,872
	4555 - Promotional Materials	\$1,493	2.60%	\$56,468	\$57,961
CC - County Counsel	6038 - Computers, Midrange/Departmental	\$42,401	100.00%		\$42,401
	3998 - Info Tech-Application Maintenance	\$24,806	23.30%	\$81,701	\$106,507
	3240 - Office Supplies-General	\$21,746	19.50%	\$89,660	\$111,406
	3278 - Printing Supplies	\$15,506	39.60%	\$23,685	\$39,191
	3268 - Office Furniture	\$5,785	32.60%	\$11,985	\$17,771
CD - Child Support Services	3268 - Office Furniture	\$21,068	28.00%	\$54,127	\$75,194
	3265 - Computers, Personal-Access & Supplies	\$10,836	63.90%	\$6,115	\$16,951
	3985 - Computer, Mainframe-Access & Supplies	\$10,275	39.00%	\$16,096	\$26,371
	3182 - Miscellaneous Expense	\$8,328	24.60%	\$25,499	\$33,826
	2397 - Office Equipment Maintenance	\$5,000	2.90%	\$168,376	\$173,376
CF - CEO - Facility Asset Management (FAM)	2673 - Building Maintenance-Job Order Contracts	\$24,011	1.90%	\$1,207,984	\$1,231,995
CH - Children & Family Services	5608 - Family Preservation Program (FP)	\$547,344	1.60%	\$34,602,123	\$35,149,467
	3262 - Printing-Custom Forms, Labels, Cards	\$330,505	82.20%	\$71,582	\$402,087
	5620 - Supportive & Therapeutic Options Prgm (STOP)	\$320,879	82.00%	\$70,217	\$391,097
	3268 - Office Furniture	\$78,219	10.10%	\$697,691	\$775,911
	3182 - Miscellaneous Expense	\$75,783	39.30%	\$116,872	\$192,656

Table 4.2: Top LSBE Awards by County Department

Department Name	Object Code & Name	\$'s to LSBEs	% Dollars to LSBEs	\$'s to Non-LSBEs	Total
CP - Capital Projects	6017 - Construction-Contract	\$1,987,390	1.30%	\$145,331,880	\$147,319,270
	6016 - Construction-Demolition	\$1,485,300	56.70%	\$1,133,313	\$2,618,613
	6027 - Construction-Misc Expense	\$992,204	94.00%	\$62,959	\$1,055,163
	6015 - Buildings & Improvements	\$421,032	2.40%	\$16,779,625	\$17,200,657
	6020 - Construction-Change Order	\$367,096	3.90%	\$9,106,014	\$9,473,111
CS - Community & Senior Services	3240 - Office Supplies-General	\$57,307	52.10%	\$52,659	\$109,966
	4102 - Publications & Legal Notices	\$25,000	100.00%		\$25,000
	3268 - Office Furniture	\$20,399	6.40%	\$300,151	\$320,550
	4912 - Moving & Transport Services	\$20,000	41.50%	\$28,217	\$48,217
	2162 - Kitchen Appliances & Accessories	\$10,014	50.30%	\$9,899	\$19,913
DA - District Attorney	3268 - Office Furniture	\$788,222	-96.50%	(\$1,605,409)	(\$817,187)
	3278 - Printing Supplies	\$135,398	77.50%	\$39,351	\$174,750
	4786 - Printing Services	\$103,775	72.40%	\$39,593	\$143,367
	3782 - Personnel Services	\$27,419	33.70%	\$53,857	\$81,276
	4634 - Photographic Equipment & Supplies	\$21,684	73.80%	\$7,688	\$29,372
FR - Fire Department	6049 - Vehicles & Transportation Equipment	\$1,520,550	17.20%	\$7,330,778	\$8,851,328
	2388 - Automotive Contracts	\$359,153	13.20%	\$2,355,342	\$2,714,496
	2364 - Automotive Repair Parts	\$358,521	14.80%	\$2,066,091	\$2,424,612
	3530 - Building Construction Services	\$339,540	49.10%	\$351,852	\$691,392
	2387 - Gardening Equipment Maintenance	\$231,258	56.90%	\$175,341	\$406,599
GJ - Grand Jury	4102 - Publications & Legal Notices	\$17,000	38.80%	\$26,800	\$43,800
HG - LAC+USC Healthcare Network	2672 - Building Maintenance	\$1,224,208	16.00%	\$6,420,118	\$7,644,326
	3804 - Radiology Services	\$612,680	22.70%	\$2,085,018	\$2,697,698
	3081 - Hospital & Surgical Minor Equipment	\$461,978	13.30%	\$3,016,521	\$3,478,498
	2810 - Waste & Rubbish Removal	\$427,708	41.80%	\$595,297	\$1,023,005
	3709 - Laboratory Services	\$387,289	7.00%	\$5,139,100	\$5,526,389
HH - MetroCare Network	3802 - Purchasing Services	\$1,019,246	38.20%	\$1,646,078	\$2,665,325
	3804 - Radiology Services	\$735,658	26.00%	\$2,089,388	\$2,825,046
	3240 - Office Supplies-General	\$267,588	21.30%	\$988,367	\$1,255,956
	3575 - Pharmaceutical Services	\$254,310	4.90%	\$4,908,307	\$5,162,617
	6037 - Electronic Equipment	\$253,143	100.80%	(\$1,962)	\$251,181
HJ - Juvenile Court Health Services	3738 - Medical	\$52,858	27.70%	\$138,107	\$190,965
	2156 - Furniture-Furnishings	\$39,101	100.00%		\$39,101
	3240 - Office Supplies-General	\$11,260	26.10%	\$31,936	\$43,197
	2400 - Other Equipment Maintenance	\$5,963	94.50%	\$347	\$6,309
	2810 - Waste & Rubbish Removal	\$4,500	17.70%	\$20,877	\$25,377
HK - Southwest Cluster (MLK Jr MC)	6043 - Medical-Major Moveable Equipment	(\$22,146)	99.30%	(\$161)	(\$22,307)
HM - Human Resources	3268 - Office Furniture	\$39,363	66.10%	\$20,195	\$59,558
	3515 - Advertising Services	\$31,479	43.00%	\$41,737	\$73,216
	3969 - Computers, Personal-Software	\$16,590	47.90%	\$18,026	\$34,616
	3240 - Office Supplies-General	\$16,434	27.80%	\$42,759	\$59,193
	4912 - Moving & Transport Services	\$7,648	40.80%	\$11,110	\$18,758
HO - ValleyCare Network	3709 - Laboratory Services	\$891,102	17.20%	\$4,297,495	\$5,188,597
	3804 - Radiology Services	\$529,129	31.30%	\$1,162,217	\$1,691,346
	391K - Dental Services	\$503,467	93.40%	\$35,680	\$539,147
	3738 - Medical	\$267,947	18.90%	\$1,149,016	\$1,416,963
	2709 - Grounds Maintenance-Other Than ISD	\$192,764	54.00%	\$163,896	\$356,660
HP - Office Of Managed Care	3529 - Audit Fees	\$19,400	100.00%		\$19,400
	3580 - Consultant Services	\$960	0.00%	\$4,953,508	\$4,954,468
	3954 - Medical Services-PPP	\$666	0.00%	\$40,237,906	\$40,238,572
	2397 - Office Equipment Maintenance	\$79	100.00%		\$79
HR - Rancho Los Amigos National Rehabilitation Center	2709 - Grounds Maintenance-Other Than ISD	\$245,072	100.00%		\$245,072
	3804 - Radiology Services	\$222,811	50.50%	\$218,820	\$441,630
	3738 - Medical	\$144,882	9.30%	\$1,414,771	\$1,559,653
	3802 - Purchasing Services	\$92,374	11.60%	\$703,444	\$795,818
	2392 - Medical Equipment Maintenance	\$90,383	10.50%	\$768,673	\$859,055
HS - Health Services	3996 - Info Tech-Consulting Services	\$1,064,500	6.70%	\$14,924,186	\$15,988,686
	3973 - Computers, Personal-Mainten & Support	\$362,929	11.80%	\$2,721,438	\$3,084,368
	3972 - Printers/Peripherals, Personal	\$153,959	2.90%	\$5,130,795	\$5,284,754
	3526 - Ambulance Service	\$123,380	2.80%	\$4,217,328	\$4,340,708
	4786 - Printing Services	\$100,441	10.40%	\$864,484	\$964,925

Table 4.2: Top LSBE Awards by County Department

Department Name	Object Code & Name	\$'s to LSBEs	% Dollars to LSBEs	\$'s to Non-LSBEs	Total
IO - Chief Information Officer	3240 - Office Supplies-General	\$3,151	62.80%	\$1,870	\$5,022
	3182 - Miscellaneous Expense	\$974	100.00%		\$974
	5138 - Freight	\$13	53.80%	\$11	\$23
IS - Internal Services Dept	2673 - Building Maintenance-Job Order Contracts	\$6,747,279	28.50%	\$16,949,910	\$23,697,189
	4020 - Computers, Departmental-Software	\$3,974,451	78.30%	\$1,100,038	\$5,074,489
	3996 - Info Tech-Consulting Services	\$1,730,725	22.10%	\$6,107,301	\$7,838,026
	3530 - Building Construction Services	\$1,118,293	44.80%	\$1,377,945	\$2,496,238
	2690 - Electrical Supplies & Accessories	\$973,346	28.50%	\$2,441,434	\$3,414,779
ME - Medical Examiner - Coroner	3268 - Office Furniture	\$82,732	25.50%	\$241,103	\$323,836
	4504 - Storage Containers/Structures	\$59,510	94.30%	\$3,597	\$63,107
	3080 - Hospital & Surgical Accessories	\$45,607	27.20%	\$121,875	\$167,482
	3738 - Medical	\$35,255	29.30%	\$85,135	\$120,390
	3530 - Building Construction Services	\$24,282	31.20%	\$53,521	\$77,803
MH - Mental Health	3268 - Office Furniture	\$497,193	54.60%	\$412,787	\$909,980
	3240 - Office Supplies-General	\$402,411	55.60%	\$321,448	\$723,859
	4020 - Computers, Departmental-Software	\$298,380	28.00%	\$766,515	\$1,064,895
	3580 - Consultant Services	\$170,343	1.60%	\$10,294,708	\$10,465,051
	3972 - Printers/Peripherals, Personal	\$154,633	45.60%	\$184,751	\$339,384
MV - Military & Vets Affairs	5120 - Fuel, Oil, Grease & Lubricants-Vehicles	\$29,533	94.70%	\$1,665	\$31,198
	3240 - Office Supplies-General	\$27,669	63.00%	\$16,284	\$43,953
	3235 - Office Machines & Related Supplies	\$9,145	82.60%	\$1,927	\$11,072
	3985 - Computer, Mainframe-Access & Supplies	\$6,274	100.00%		\$6,274
	2143 - Blinds-Venetian & Vertical	\$4,457	100.00%		\$4,457
OE - CEO - Office of Emergency Management	3529 - Audit Fees	\$189,247	100.00%		\$189,247
	4068 - Translation Services	\$17,005	100.00%		\$17,005
	4774 - Police Supplies & Minor Equipment	\$5,100	100.00%		\$5,100
OM - Ombudsman	3580 - Consultant Services	(\$4,900)	100.00%		(\$4,900)
OS - Regional Park & Open Space District	4096 - Audit Services Contracts	\$12,996	100.00%		\$12,996
PB - Probation Department	3855 - Transcription Services	\$736,553	100.00%		\$736,553
	3240 - Office Supplies-General	\$283,537	29.20%	\$687,741	\$971,278
	3268 - Office Furniture	\$271,965	18.20%	\$1,218,269	\$1,490,234
	2705 - Glass & Glazing Supplies	\$93,729	98.30%	\$1,585	\$95,313
	3062 - Chemicals-Medical	\$90,464	100.00%		\$90,464
PD - Public Defender	6034 - Telecommunications Equipment	\$306,817	100.00%		\$306,817
	3268 - Office Furniture	\$52,315	23.30%	\$172,258	\$224,572
	4872 - Video Equipment & Supplies	\$37,728	84.00%	\$7,172	\$44,900
	3262 - Printing-Custom Forms, Labels, Cards	\$19,636	33.60%	\$38,825	\$58,461
	3983 - Computer, Mainframe-Application Software	\$18,863	100.00%		\$18,863
PG - Substance Abuse Prevention and Control	3265 - Computers, Personal-Accessories & Supplies	\$2,715	6.20%	\$41,200	\$43,915
	2672 - Building Maintenance	\$1,992	100.00%		\$1,992
	3240 - Office Supplies-General	\$1,580	5.20%	\$28,526	\$30,106
	3225 - Furniture-Health Care	\$387	100.00%		\$387
	2664 - Alarm System Maintenance	\$268	100.00%		\$268
PH - Public Health Programs	3968 - Public Health Contract Services	\$2,792,053	6.40%	\$40,893,979	\$43,686,032
	4786 - Printing Services	\$268,037	99.60%	\$1,173	\$269,210
	6046 - Office Furniture, Fixtures & Equip.	\$231,769	100.00%		\$231,769
	3278 - Printing Supplies	\$84,717	46.10%	\$98,987	\$183,703
	4484 - Furniture-Other Than Office	\$57,452	100.00%		\$57,452
PK - Parks & Recreation Department	2709 - Grounds Maintenance-Other Than ISD	\$1,665,832	23.90%	\$5,302,614	\$6,968,446
	3580 - Consultant Services	\$838,416	25.30%	\$2,480,759	\$3,319,175
	2040 - Clothing-Uniforms & Accessories	\$338,496	52.90%	\$301,304	\$639,800
	2673 - Building Maintenance-Job Order Contracts	\$286,407	38.60%	\$455,292	\$741,699
	2754 - Plumbing Supplies	\$214,358	71.10%	\$87,274	\$301,632
PL - Public Library	2663 - Alterations & Improvements-ISD	\$399,607	42.50%	\$540,755	\$940,362
	2709 - Grounds Maintenance-Other Than ISD	\$351,999	68.60%	\$161,446	\$513,445
	3268 - Office Furniture	\$172,763	23.10%	\$574,034	\$746,797
	3985 - Computer, Mainframe-Access & Supplies	\$138,052	48.70%	\$145,522	\$283,574
	3972 - Printers/Peripherals, Personal	\$68,543	33.40%	\$136,501	\$205,044
PP - Office of AIDS Programs & Policy	2156 - Furniture-Furnishings	\$562	81.90%	\$124	\$687

Table 4.2: Top LSBE Awards by County Department

Department Name	Object Code & Name	\$'s to LSBEs	% Dollars to LSBEs	\$'s to Non-LSBEs	Total
PR - Antelope Valley Rehab Center	3262 - Printing-Custom Forms, Labels, Cards	\$11,240	85.50%	\$1,909	\$13,149
	2122 - Food (Institutional Use Only)	\$5,875	1.00%	\$611,403	\$617,279
	2400 - Other Equipment Maintenance	\$4,306	18.60%	\$18,866	\$23,172
	2040 - Clothing-Uniforms & Accessories	\$4,142	48.30%	\$4,429	\$8,572
	3280 - Publications & Periodicals	\$4,139	35.60%	\$7,479	\$11,618
PS - Children's Medical Services	3240 - Office Supplies-General	\$44,041	18.40%	\$195,261	\$239,301
	2397 - Office Equipment Maintenance	\$1,156	15.10%	\$6,508	\$7,664
PW - Public Works Department	3580 - Consultant Services	\$18,099,625	19.70%	\$73,936,979	\$92,036,604
	3557 - Environmental Services	\$9,289,076	38.50%	\$14,858,940	\$24,148,016
	3530 - Building Construction Services	\$5,980,459	37.80%	\$9,861,734	\$15,842,193
	4150 - Temporary Equipment Rentals	\$5,611,094	37.90%	\$9,184,703	\$14,795,798
	5316 - Public Works-Infrastr Maintenance Cont	\$5,313,568	15.50%	\$28,927,158	\$34,240,726
RE - Rent Expense	4422 - Building Rentals	\$767,807	0.20%	\$356,838,509	\$357,606,317
	3530 - Building Construction Services	\$186,369	10.30%	\$1,622,935	\$1,809,304
	3182 - Miscellaneous Expense	\$52,102	25.90%	\$148,959	\$201,060
RP - Regional Planning Department	3580 - Consultant Services	\$270,000	30.80%	\$607,837	\$877,837
	2084 - Mail Service	\$5,777	7.60%	\$70,486	\$76,263
	4786 - Printing Services	\$1,068	5.40%	\$18,857	\$19,926
	3969 - Computers, Personal-Software	\$551	3.00%	\$17,621	\$18,171
	3240 - Office Supplies-General	\$417	3.20%	\$12,499	\$12,916
RR - Registrar Recorder	3972 - Printers/Peripherals, Personal	\$157,025	59.30%	\$107,669	\$264,694
	4020 - Computers, Departmental-Software	\$98,663	10.60%	\$831,940	\$930,603
	3997 - Info Tech-Application Development	\$98,191	98.30%	\$1,651	\$99,842
	2665 - Alterations & Improve-Other Than ISD	\$16,894	32.80%	\$34,689	\$51,583
	5120 - Fuel, Oil, Grease & Lubricants-Vehicles	\$11,936	24.40%	\$36,949	\$48,885
SC - Superior Court & County Clerk	4912 - Moving & Transport Services	\$3,744	100.00%		\$3,744
SH - Sheriff	2122 - Food (Institutional Use Only)	\$4,932,478	12.50%	\$34,468,957	\$39,401,435
	2141 - Bedding, Mattress, & Bath Accessories	\$2,289,197	69.80%	\$989,324	\$3,278,521
	3268 - Office Furniture	\$2,068,673	97.40%	\$54,744	\$2,123,417
	2694 - Fencing Materials	\$1,756,434	98.20%	\$32,385	\$1,788,820
	6038 - Computers, Midrange/Departmental	\$1,122,313	23.90%	\$3,579,814	\$4,702,127
SS - Public Social Services Dept	3262 - Printing-Custom Forms, Labels, Cards	\$2,761,518	33.10%	\$5,576,044	\$8,337,562
	3268 - Office Furniture	\$1,448,355	48.30%	\$1,552,520	\$3,000,875
	3265 - Computers, Personal-Access & Supplies	\$1,064,893	83.60%	\$209,585	\$1,274,478
	3972 - Printers/Peripherals, Personal	\$621,432	20.50%	\$2,402,836	\$3,024,268
	3974 - Telecomm Equipment-Noncapital	\$281,760	100.00%		\$281,760
TC - Trial Courts	4786 - Printing Services	\$13,571	100.00%		\$13,571
	3240 - Office Supplies-General	\$195	30.70%	\$439	\$635
TT - Treasurer & Tax Collector	4560 - Public Administrator-Estate Charges	\$550,000	72.40%	\$209,562	\$759,562
	4102 - Publications & Legal Notices	\$533,048	97.80%	\$11,787	\$544,835
	4052 - Data Conversion Services	\$200,000	100.00%		\$200,000
	3268 - Office Furniture	\$48,472	35.50%	\$88,180	\$136,651
	2156 - Furniture-Furnishings	\$34,467	100.00%		\$34,467

*Data from Fiscal Year 2014-15. These numbers are for demonstrative purposes only and are being used to establish a baseline for DCBA to work from. More precise data will be available through future reports generated by ISD and information gathered during one-on-one meetings with SB Advocates.

Appendix C*

Table 4.5: LSBE Awards by Department FY 2016

Department Name	Certified	Not Certified	Utilization Rate	Total
AD - Alternate Public Defender	\$2,698.41	\$322,698.56	0.83%	\$325,396.97
AN - Animal Care And Control	\$127,316.98	\$4,187,520.59	2.95%	\$4,314,837.57
AO - Chief Executive Office	\$988,267.97	\$113,354,613.19	0.86%	\$114,342,881.16
AR - Museum Of Art		\$23,873,039.93	0.00%	\$23,873,039.93
AS - Assessor	\$374,365.18	\$11,649,482.23	3.11%	\$12,023,847.41
AU - Auditor-Controller	\$21,050.68	\$68,481,816.51	0.03%	\$68,502,867.19
AW - Agric Comm/Wts & Measures	\$451,468.65	\$3,913,961.32	10.34%	\$4,365,429.97
BH - Beaches & Harbors	\$796,416.30	\$13,840,040.11	5.44%	\$14,636,456.41
BS - Board Of Supervisors	\$1,316,124.51	\$27,886,236.77	4.51%	\$29,202,361.28
CA - Consumer and Business Affairs	\$161,313.55	\$2,577,069.41	5.89%	\$2,738,382.96
CC - County Counsel	\$318,142.68	\$2,155,642.10	12.86%	\$2,473,784.78
CD - Child Support Services	\$151,083.26	\$3,169,035.56	4.55%	\$3,320,118.82
CH - Children & Family Services	\$1,856,659.83	\$187,144,842.20	0.98%	\$189,001,502.03
CP - Capital Projects	\$7,899,002.51	\$255,658,409.08	3.00%	\$263,557,411.59
CS - Community and Senior Services	\$290,997.53	\$68,224,132.28	0.42%	\$68,515,129.81
DA - District Attorney	\$423,139.99	\$7,973,185.97	5.04%	\$8,396,325.96
EB - Employee Benefits		\$48,456,180.62	0.00%	\$48,456,180.62
FR - Fire Department	\$4,208,322.16	\$81,647,905.88	4.90%	\$85,856,228.04
FS - Federal / State Disaster Aid		\$190,000.00	0.00%	\$190,000.00
GJ - Grand Jury	\$9,244.21	\$149,159.87	5.84%	\$158,404.08
HE - Online Real-Time Centralized Health Information Database	(\$109,896.24)	\$1,617,975.25	-7.29%	\$1,508,079.01
HG - LAC+USC Healthcare Network	\$5,782,602.61	\$337,156,293.21	1.69%	\$342,938,895.82
HH - MetroCare Network	\$3,859,616.40	\$184,799,165.47	2.05%	\$188,658,781.87
HJ - Juvenile Court Health Services	\$101,289.90	\$290,986.75	25.82%	\$392,276.65
HM - Human Resources Dept	\$279,791.63	\$122,648,687.19	0.23%	\$122,928,478.82
HO - ValleyCare Network	\$4,185,496.97	\$107,615,991.65	3.74%	\$111,801,488.62
HP - Office Of Managed Care	\$19,400.00	\$18,694,030.80	0.10%	\$18,713,430.80
HR - Rancho Los Amigos National Rehabilitation Center	\$823,530.44	\$33,800,292.19	2.38%	\$34,623,822.63
HS - Health Services	\$1,580,175.98	\$403,489,370.27	0.39%	\$405,069,546.25
IB - Insurance Budget		\$40,726,813.49	0.00%	\$40,726,813.49
IO - Chief Information Officer	\$116,711.93	\$7,250,466.45	1.58%	\$7,367,178.38
IS - Internal Services Dept	\$34,027,569.27	\$379,428,478.15	8.23%	\$413,456,047.42
JD - Judgments & Damages	\$224,500.00	\$27,790,760.65	0.80%	\$28,015,260.65
ME - Department of Medical Examiner - Coroner	\$184,178.91	\$4,045,387.79	4.35%	\$4,229,566.70
MH - Mental Health	\$847,637.52	\$1,283,409,011.60	0.07%	\$1,284,256,649.12
MV - Military & Vets Affairs	\$74,870.17	\$85,524.10	46.68%	\$160,394.27
NH - Museum Of Natural History		\$16,146,714.00	0.00%	\$16,146,714.00
NR - Los Angeles Regional Interoperability Communications System		\$270,610.12	0.00%	\$270,610.12
OS - Regional Park & Open Space District	(\$66,932.75)	\$31,546,705.77	-0.21%	\$31,479,773.02
PB - Probation Department	\$2,096,533.41	\$68,112,880.16	2.99%	\$70,209,413.57
PD - Public Defender	\$304,879.10	\$2,332,255.20	11.56%	\$2,637,134.30
PH - Public Health Programs	\$3,302,150.67	\$299,755,255.54	1.09%	\$303,057,406.21
PK - Parks & Recreation Department	\$5,536,850.78	\$47,520,921.97	10.44%	\$53,057,772.75
PL - Public Library	\$484,882.68	\$26,071,233.04	1.83%	\$26,556,115.72
PW - Public Works Department	\$65,628,057.59	\$362,208,510.21	15.34%	\$427,836,567.80
RE - Rent Expense	\$821,001.11	\$398,582,976.11	0.21%	\$399,403,977.22
RP - Regional Planning Department	\$115,594.70	\$1,399,584.73	7.63%	\$1,515,179.43
RR - Registrar Recorder	\$641,197.17	\$32,074,154.57	1.96%	\$32,715,351.74
SC - Superior Court & County Clerk	\$8,970.70	\$15,964,857.98	0.06%	\$15,973,828.68
SH - Sheriff	\$19,880,063.00	\$313,098,551.82	5.97%	\$332,978,614.82
SS - Public Social Services Dept	\$10,160,132.83	\$973,847,627.62	1.03%	\$984,007,760.45
TT - Treasurer & Tax Collector	\$752,743.39	\$9,269,332.00	7.51%	\$10,022,075.39
Totals	\$181,059,214.27	\$6,475,906,378.03	2.72%	\$6,656,965,592.30

*Data from Fiscal Year 2016. These numbers are for demonstrative purposes only and are being used to establish a baseline for DCBA to work from. More precise data will be available through future reports generated by ISD and information gathered during one-on-one meetings with SB Advocates.

Appendix D

Grow the List Campaign Bench Marks LSBE				
Current number of LSBE's		1312		
FY 2016-2017				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Total Needed per Quarter	2036	2760	3484	4208
Total Approved Per Quarter	152			
Total Needed per 3 months	724			
Total Annual \$'s to LSBE				
FY 2017-2018				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Total Needed per Quarter	4932	5656	6380	7104
Total Approved Per Quarter				
Total Needed per 3 months				
Total Annual \$'s to LSBE				
FY 2019-2020				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	7828	8552	9276	10000
Total Approved Per Quarter				
Total Needed				
Total Annual \$'s to LSBE				
Total Annual \$'s to LSBE				

LSBE Certified vs Expiring			
Month	Year	Total # of LSBE Certified (new and re-certifications) for month	# of LSBE Expiring
January	2016	20	N/A
February	2016	75	N/A
March	2016	83	67
April	2016	78	57
May	2016	89	77
June	2016	55	51
July	2016	44	41
August	2016	78	55



Brian J. Stiger
Director

COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AND BUSINESS AFFAIRS

Members of the Board

Hilda L. Solis
Mark Ridley-Thomas
Sheila Kuehl
Janice Hahn
Kathryn Barger

"To Enrich Lives Through Effective and Caring Service"

DATE: January 9, 2017

TO: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Hilda Solis
Supervisor Sheila Kuehl
Supervisor Janice Hahn
Supervisor Kathryn Barger

FROM: Brian J. Stiger 
Director, Consumer and Business Affairs

QUARTERLY STATUS REPORT ON RECOMMENDATIONS TO DEVELOP AND IMPLEMENT A FOUR-YEAR SMALL BUSINESS, DISABLED VETERAN OWNED BUSINESS AND SOCIAL ENTERPRISE UTILIZATION PLAN (ITEM NO. 12, AGENDA OF JULY 12, 2016)

On July 12, 2016, your Board adopted a motion co-authored by Supervisors Ridley-Thomas and Solis that instructed the Director of the Department of Consumer and Business Affairs (DCBA), in consultation with other relevant departments, to implement a four-year plan to increase contract and procurement opportunities for Local Small Business Enterprise (LSBE), Disabled Veteran Business Enterprises (DVBE) and Social Enterprises (SE).

The motion sought several deliverables, including, but not limited to:

1) Direct all County Departments that have designated Small Business Advocates (Advocates) to: create "mini utilization plans" which will provide procurement information on the types of contracts awarded, whether those contracts are appropriate for LSBEs, and other information as outlined in the Utilization Plan; identify industries, service, goods or equipment where the County needs larger pools of certified LSBEs, DVBEs, and SEs; identify LSBE, DVBE and/or SE eligible businesses and encourage them to certify; and include small business utilization and advocate information on their websites;

2) [Advocates] Provide quarterly written progress reports to the Director of Consumer and Business Affairs for the preparation of a consolidated written quarterly report to the Board and the Economic Development Policy Committee with the first report due no later than September 30, 2016;

- 3) Instruct the Director of Consumer and Business Affairs to monitor County progress towards overall utilization regularly and submit quarterly reports to the Board and the Economic Development Policy Committee on the status of the Utilization Plan with the first report due no later than September 30, 2016;

This motion also directed to:

- 1) Authorize DCBA to develop and implement the SE certification process and procedures; and identify and track microbusinesses to capture data and assess the feasibility of certifying microbusinesses as a subset of LSBEs in the future and report back in writing quarterly to the Board and the Economic Development Policy Committee, with the first report due no later than December 31, 2016.

Please allow this report to serve as an update on the progress of the implementation of the items addressed above.

Small Business Advocates Meetings

DCBA is currently meeting with each Departmental Advocate to discuss their mini-utilization plan and to address any questions, concerns or needs that may have arisen. As of the date of this report, DCBA has met with 15 County Departments. DCBA plans to meet with the remaining 22 Departments by March 1, 2017. The Advocates have been very receptive to these meetings and have invited their colleagues involved in the procurement process to participate.

Originally, DCBA requested expenditure data from every Department and asked that each Department be responsible for creating their own mini-utilization plan; however, DCBA was able to work with Internal Services Department (ISD) to obtain several LSBE expenditure reports for each Department. This allowed DCBA to create a draft mini-utilization plan that provided a summary of each Department's spending and which was distributed to the Advocates prior to each meeting. This approach has enabled DCBA to maintain uniformity among the reports, which increases efficiency and facilitates the discussions during these meetings; it has also served to lessen the workload for each Advocate.

In addition, these meetings have provided a constructive space in which the Advocates and DCBA work together to identify and resolve obstacles that may impede the County's progress towards meeting your Board's contracting and procurement goals.

Increasing the Vendor Pool

One of the biggest challenges DCBA has experienced in increasing the vendor pool is the expiration of businesses from the list. Currently, a business' expiration date is aligned with their expiration date with another certifying agency (e.g. Department of General Services). In the case of Department of General Services (DGS) certification, those businesses oftentimes receive an automatic one-year extension of their expiration; however, DCBA has been unable to automatically renew those certifications on our end. Thus, the number of businesses certified each month by DCBA equals or slightly exceeds the number of businesses expiring, which results in the number of certified businesses appearing stagnant and hovering at around 1,300. DCBA is exploring solutions that will alleviate this issue.

DCBA encourages Department Advocates to refer businesses to us for certification. DCBA has also strengthened our relationship with the procurement and contracting staff of many County Departments so that those departments that want to make warm handoffs have a point of contact within DCBA to whom they can send businesses to directly for certification.

Business Certifications

Identifying Eligible Businesses to Certify

In order to increase the pool of certified vendors, DCBA continues to pull updated certified lists from the State's Department of General Services (DGS). DCBA uses this list to outreach to the local DGS certified small business community. Through outreach events and researching businesses online, DCBA has also begun calling Social Enterprises to encourage their participation in the program. As of the date of this report, DCBA has seven certified SEs, 1304 certified LSBEs, and 33 certified DVBES. Of note, the total number of small businesses certified this year was 622, an increase of 84% from last year.

Microbusinesses

On October 25, 2016 a new field was added to the LSBE application on WebVen which allows a business to self-identify as a microbusiness. While there are no contracting or procurement incentives available to microbusinesses at the current time, this allows DCBA to begin identifying and tracking microbusinesses to assess the feasibility of certifying microbusinesses as a subset of LSBEs in the future.

Since the launch on October 25th, 34 businesses have self-identified as microbusinesses. By adding this identifier, DCBA can also track awards issued to these businesses.

Vendor Search Limitations

In order to meet the 25/3 utilization goals by the year 2020, the Advocates identified a need to quickly and accurately identify the goods or services each certified vendor provides. Currently, in order to find a certified vendor by commodity, a buyer must sift through page after page of certified and non-certified vendors. The ability to filter for *only* certified vendors at the commodity level is currently not available. Generating a list of vendors for commonly procured commodities will often result in anywhere from 10-30 pages of certified and non-certified vendors with each page containing about 12 vendors. This is a time consuming process which may deter procurement personnel from searching for certified vendors. DCBA is currently working to find solutions to this issue.

Developing Accurate Depiction of LSBE Awards

An issue DCBA has encountered in many of these meetings has been inconsistent expenditure data between what DCBA has and the data each Department has compiled through eCAPS reports. What DCBA has learned through these meetings, is that the expenditure data that DCBA has been able to obtain does not differentiate between accounts, instead, it rolls up all of the Departments' accounts and the totals under one object code. This is an issue because some Departments have accounts that they assert they either have no control over or the spending categories within these accounts cannot feasibly be awarded to small businesses, e.g. utilities. To address this issue DCBA has begun asking the Advocates to identify categories and amounts in the mini-utilization plans that they believe should not be counted toward their total spend and provide justification. This allows the Department to account for expenditures that likely cannot go to small businesses and will thereby assist in the development of a more feasible utilization goal for the Department.

Outreach and Marketing

DCBA continues to outreach to the community through hosted and participated events. This year, DCBA's Small Business Services team sponsored or participated in 67 contracting/networking events and training classes, an increase of 52% from last year. Total attendees at these outreach events numbered 5,618, an increase of 12% from last year.

DCBA leverages its social media platforms to increase awareness of bid opportunities and encourage people to register with the County. DCBA's media outreach efforts have included:

- A "shout out" featuring small businesses who certified using hashtag #lacountycertified on social media (example at: <http://bit.ly/2iRqB0Q>)
- Highlighting various bids that small businesses would be interested in on social media (example at: <http://bit.ly/2iK4Y5e>)

On December 20, 2016, DCBA partnered with LA County Channel 36 to produce a news story that will be aired on the station next month, spotlighting a small business success story.

DCBA updated all of its Small Business Services' marketing materials to reflect the new preference program requirements and incentives. Revised/created documents include: a Local Small Business Enterprise tip sheet; Disabled Veteran Business Enterprise tip sheet; Social Enterprise Preference Program tip sheet; LA Contracting Connections overview tip sheet; Community Business Enterprise tip sheet; and a certification "how to" cheat sheet.

Additionally, DCBA is developing an electronic Small Business Utilization toolkit. The toolkit will include information on the preference programs and how to certify. The toolkit was sent out to registered vendors in early October and is currently being refined for distribution to the following audiences:

- Procurement Officers/SB Advocates
- Chambers/Small Business Organizations
- Public Information Officers
- Media

Next Steps

DCBA will continue to work with the local business community and County departments to implement the County's four-year plan.

DCBA appreciates the opportunity to update your Board on the status of the County's Utilization Plan. DCBA will submit an updated status report to your Board in 90 days.

Should you have any questions or need additional information, please contact me at your earliest convenience.

BS

c: Chief Executive Officer
Executive Officer, Clerk of the Board



SCOTT MINNIX
Director

County of Los Angeles INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

Telephone: (323) 267-2101
FAX: (323) 264-7135

"To enrich lives through effective and caring service"

January 19, 2017

To: Supervisor Mark Ridley-Thomas, Chair
Supervisor Hilda L. Solis
Supervisor Sheila Kuehl
Supervisor Janice Hahn
Supervisor Kathryn Barger

From: Scott Minnix *Scott Minnix*
Director

QUARTERLY REPORT - INCREASED DELEGATED AUTHORITY CERTIFIED BUSINESS AWARDS

On July 12, 2016, the Board passed a motion directing the Internal Services Department (ISD) to increase departmental delegated authority, and to:

- a. Identify and implement all required policy changes in order to raise the delegated authority for departments to up to \$25,000 with two bids from certified businesses;
- b. Produce quarterly written reports to the Board that include identifiable procurements and contracts issued under the new two-bid delegated authority policy and to make such reports available to Department of Consumer and Business Affairs (DCBA); and
- c. Monitor delegated authority use and determine appropriateness of level.

Policy Development and Implementation

ISD developed and implemented a Simplified Acquisition Process (SAP) policy, which was effective October 1, 2016. Prior to the effective date, ISD conducted training, and all County departments were provided implementation instructions for the SAP policy.

Under the policy, County departments are authorized to acquire goods or services from \$5,001 up to \$24,999 directly from a certified Local Small Business Enterprise,

a certified Disabled Veteran Business Enterprise or a certified Social Enterprise, also referred to as "Preference Program Entity" or PPE, by using a two-bid process. Based on regulatory, statutory and/or liability-related reasons, County departments were advised of the following exclusions and restrictions to the SAP policy:

- Personal services agreements for medical or health related patient care services are excluded from the SAP.
- Social Service contracts that require department-specific monitoring efforts or measurable outcomes are excluded from the SAP.
- Any service that is, or will, be ongoing and over \$25,000 in the aggregate is excluded from the SAP.
- The SAP is restricted to PPEs that are certified by DCBA.

Quarterly SAP Awards

As noted on the attachment, between October 1, 2016, when the policy was implemented, and December 31, 2016, there were eleven PPEs that received awards from four departments under the SAP, for a total award amount of \$150,420.

It is anticipated that the number of awards and associated dollar amounts will increase as more departments avail themselves to the SAP, and the certified PPE population is expanded.

If you have any questions, please contact me at (323) 267-2101, via email: sminnix@isd.lacounty.gov, or your staff may contact Joe Sandoval, General Manager, ISD Purchasing and Contract Services at (323) 267-2109, via email: jsandoval@isd.lacounty.gov.

SM:JS:as

Attachment

c: ISD Board Deputies
Chief Executive Officer
Chief Operating Officer
Executive Office, Board of Supervisor
Director, DCBA
Department Heads

Simplified Acquisition Process (SAP)
Purchase Orders Issued October 1, 2016 to December 31, 2016

Vendor	Vendor ID#	Dept.	PO #	PO Date	Description	QTY	Unit Cost	Amount	PO Total
Air Clean Environmental Inc	145309	ISD	PO-IS-17015354	11/15/2016	Lead Abatement	1	\$5,733.83	\$5,733.83	\$5,733.83
C&S Welding	174162	ISD	PO-IS-17322238	11/21/2016	Labor/welding Operations to repair Piping	1	\$23,001.50	\$23,001.50	\$23,001.50
Safety Vibe	123894	Public Works	PO-PW-17322237	11/22/2016	Gloves	2808	\$6.71	\$20,532.33	\$20,532.33
Schroeder Valve & Repair	513500	ISD	PO-IS-17322467	12/15/2016	Valves, Control Tank - Repair & Re-Install	1	\$8,300.00	\$8,300.00	\$22,550.00
					Valves, Control Tank - Parts	1	\$14,250.00	\$14,250.00	
Roham International Inc.	145076	Public Library	PO-PL-17321847	10/12/2016	Silicone Tech Pocket	2500	\$85.00	\$2,125.00	\$13,555.00
					Translucent View Bottles	2500	\$1.36	\$3,400.00	
					Wraparound Journal MINI	2500	\$0.79	\$1,975.00	
					High Five Pen	2500	\$0.09	\$2,225.00	
					Backpack-Pinnacle-Drawstring	1000	\$1.78	\$1,780.00	
					Clic Stic Pen	5000	\$0.41	\$2,050.00	
Yolanda Berumen	145981	Public Works	PO-PW-17322114	11/7/2016	RAPID SET CONCRETE 7000 PSI	18	\$440.00	\$8,632.80	\$13,733.20
					STANDING TIME	480 MIN	\$3.25	\$1,700.40	
					DELIVERY	2	\$1,700.00	\$3,400.00	
LAC Equipment Rental	176677	Public Works	PO-PW-17322425	12/12/2016	17 Ton Crane Truck Rental	1	\$7,990.00	\$7,990.00	\$8,590.00
					Freight	2	\$300.00	\$600.00	
Albert J Bond dba Unlimited Products	140245	Public Works	PO-PW-17322462	12/20/2016	SLED TL3 With K-Rail Transition	1	\$7,920.00	\$7,920.00	\$8,320.00
					Freight	1	\$400.00	\$400.00	
Computer 1 Products of America	125632	Public Works	PO-PW-17322564	12/27/2016	Mac Pro - Built to Order	1	\$5,865.00	\$5,865.00	\$6,307.00
					Apple Magic Mouse 2	1	\$82.00	\$82.00	
					Apple Magic Keyboard	1	\$101.00	\$101.00	
					Applecare Protection Plan	1	\$219.00	\$219.00	
					Shipping Charge	1	\$40.00	\$40.00	
American Utility Products	108971	Public Works	PO-PW-17322615	12/29/2016	Cone - Traffic, 28" (to read 'Wet Paint')	600	\$13.86	\$8,316.00	\$19,404.00
					Cone - Traffic, 28" (to read 'LACoDPW')	800	\$13.86	\$11,088.00	
Prime Electric Wholesale Corp.	176472	Sheriff	PO-SH-17321990	10/27/2016	Fluke Thermal Imager	1	\$7,882.00	\$8,591.38	\$8,692.75
					Fluke Tripod Mtg Holder	1	\$93.00	\$101.37	

Total (w/out Sales Tax)	\$150,419.61
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Brian J. Stiger
Director

**COUNTY OF LOS ANGELES
DEPARTMENT OF
CONSUMER AND BUSINESS AFFAIRS**

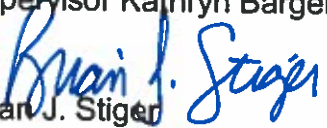
Members of the Board

Hilda L. Solis
Mark Ridley-Thomas
Sheila Kuehl
Janice Hahn
Kathryn Barger

"To Enrich Lives Through Effective and Caring Service"

January 31, 2017

TO: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Hilda Solis
Supervisor Sheila Kuehl
Supervisor Janice Hahn
Supervisor Kathryn Barger

FROM: 
Brian J. Stiger
Director, Consumer and Business Affairs

**REPORT REGARDING FEASIBILITY OF DEVELOPING A SET ASIDE FOR
CERTIFIED BUSINESSES, TRACKING SUBCONTRACTOR UTILIZATION, AND
STREAMLINING BOILERPLATE CONTRACT LANGUAGE (ITEM NO. 12, AGENDA
OF JULY 12, 2016) [REPORT #7018; ONE-TIME CONTRACTING REPORT FOR
SMALL BUSINESS UTILIZATION]**

On July 12, 2016, your Board adopted a motion co-authored by Supervisors Ridley-Thomas and Solis that directed the Director of the Department of Consumer and Business Affairs (DCBA), in consultation with other relevant departments, to implement a four-year plan to support Local Small Business Enterprise (LSBE), Disabled Veteran Business Enterprises (DVBE) and Social Enterprises (SE) through increased contracting and procurement.

The motion sought several deliverables, including, but not limited to:

Instruct the Director of Consumer and Business Affairs to work with the Internal Services Department, the Department of Public Works, and other relevant Departments to assess and report back to the Board on the feasibility of:

- a) Developing a set aside for certain contracts available to certified businesses, including identifying legal issues, County policy, or other guidelines that affect the issuance of the set aside and researching best practices in set aside programs;
- b) Tracking subcontractor utilization; and

- c) Streamlining boilerplate contract language for small businesses.

Please allow this report to serve as an update on the progress of the implementation items addressed above.

Advisory Group

In September 2016, DCBA convened a small business utilization advisory team, comprised of the Internal Services Department (ISD), Department of Workforce Development, Aging and Community Services (WDACS), Department of Public Works (DPW) and County Counsel to exchange information, ideas and past practices, and to recommend the best approaches for implementing the County's utilization goals and preference program initiatives. With few exceptions, this group has met monthly to discuss the status of the implementation.

Set Asides

Legal Issues

The Chief Executive Office submitted a report to your Board on August 19, 2015 in which County Counsel provided an opinion on the feasibility of establishing set asides. The position taken in this report still stands. A "set aside" is the allocation of "a certain percentage of all contracts awarded by an agency (or a percentage of a particular category of contracts) to a targeted group of potential bidders." Case law prohibits set asides based on race or gender, as well as those that directly conflict with statutory bidding provisions requiring the award of a contract to the "lowest and best regular bidder," such as certain construction contracts issued pursuant to the California Public Contract Code. Regarding contracts with private businesses to perform services and for commodities, the County Code provides for a competitive bid process wherein a contract must be awarded to the "most responsive and responsible bidder who is either the lowest bid price or the highest scoring bidder" (Los Angeles County Code sections 2.121 and 2.8). This language restricts the use of set asides; however, other jurisdictions have been successful in creating legally permissible set asides. For example, the Metropolitan Transit Authority (Metro) was approved by Federal Transit Administration (FTA) to implement a race-neutral small business set aside for FTA funded contracts. Metro has also developed "limited competition" contracts for its Small Business Enterprise (SBE) program where only SBEs compete for those contracts.

Based on County Counsel's preliminary review, it was determined that set asides are possible; however, depending on the type, may require Board or state action in order to be permissible.

Pilot Project

DCBA is working with County Counsel to fully develop the scope of a printing set aside for certified businesses. The program would utilize departments' established delegated authority and, therefore, would not run afoul of legal and policy concerns. Two departments have already been identified as interested in participating in the program.

Subcontractor Utilization

Workgroup

DCBA convened a subcontractor workgroup on August 25, 2016, which has met monthly since that date. The departments represented in the workgroup include DCBA, ISD, DPW, and WDACS. The workgroup discussed the best way to obtain information regarding service contract subcontractor usage. In order to assess the data departments currently have access to, a survey was sent out in October to the contract managers of each County department. The survey requested information on their current service contract data. Survey results gleaned information on the departments' service contracts; however, indicated that departments generally do not collect information regarding subcontractors on those contracts.

The workgroup then discussed current software programs that may be used by the County to track subcontractors and any software/programs that departments have already examined that may be adapted for subcontractor tracking purposes. The group anticipates procuring software by late spring/early summer.

Pilot Project

The workgroup is finalizing an action plan for a subcontractor utilization tracking pilot program. ISD and DPW will identify contracts to include in the pilot project that will be conducted by each department for a one-year period. A solicitation will be conducted to award contracts to be effective July 1, 2017.

DCBA will continue to work with the pilot departments to plan the implementation of the pilot project.

Streamlining Boilerplate Language

DCBA reviewed the more than 200 pages of survey results received by KH Consulting to determine the most common difficulties small businesses face when attempting to contract with the County. These results, while confidential, demonstrated that contract language was a significant hurdle for businesses. DCBA is using the information garnered from the survey responses to evaluate the most onerous part of the contracting process.

DCBA, working closely with County Counsel, assessed work previously done by the County around streamlining boilerplate language. Model procurement documents are updated frequently to ensure that they reflect the most up-to-date Board policies and legal requirements. When these changes are made, the needs of businesses are kept in mind and the language is kept as simple as possible to ensure that all businesses, including small businesses, can comply. The County's purchasing and contracts website provides information on all changes made to the model documents over the past several years.

DCBA is convening a workgroup comprised of County Counsel and other relevant departments to explore options for streamlining boilerplate language. Since there are several types of contracts, the workgroup will first need to identify and make recommendations on which contracts this project would be appropriate for. The workgroup will then review the model Request for Proposal (RFP) and contract(s) with a critical eye towards making recommendations to the Board on areas appropriate for streamlining. Since much of the boilerplate language in these documents exists due to policy and legal requirements, streamlining the boilerplate language will likely require Board or state action.

Next Steps

DCBA will continue to work with the pertinent County departments to finalize implementation of the programs above. DCBA will submit updates to your Board in the forthcoming Small Business Utilization quarterly reports on the status of these projects.

If you have any questions or need additional information, please contact me at (213) 974-9750 or via email at bstiger@dcba.lacounty.gov.

BJS:sep

c: Executive Office, Board of Supervisors
 Chief Executive Office
 County Counsel
 Internal Services
 Workforce Development, Aging and Community Services
 Public Works